

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis
For the Period Ended November 30, 2008
(Prepared as at January 28, 2009)

The following discussion of financial condition, changes in financial condition and results of operations has been prepared by the Company's management. This document is intended to accompany the unaudited interim financial statements as at November 30, 2008 and should be read in conjunction with those financial statements.

DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for the information disclosed in this management discussion and analysis (MD&A) and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable. As of the financial year ended August 31, 2008, an evaluation was carried out under the supervision of, and with the participation of, the Company's management, including the Chief Executive Officer and Chief Financial Officer, on the effectiveness of the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings ("MI 52-109"). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as of August 31, 2008 to provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company. As there have been no subsequent changes to these controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as of the date of this document to provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company.

INTERNAL CONTROL OVER FINANCIAL REPORTING

MI 52-109 also requires a reporting issuer to submit an interim certificate relating to the design of internal control over financial reporting. Internal control over financial reporting is a process designed by management to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian generally accepted accounting principles (GAAP). As part of this process, management, including the Chief Executive Officer and the Chief Financial Officer, has evaluated the design of the internal control over financial reporting at August 31, 2008 and based on this evaluation, management has concluded that the design of internal control over financial reporting was effective as of August 31, 2008.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

Under the provisions of MI 52-109, a reporting issuer is also required to disclose in their MD&A any change in internal control over financial reporting during the most recent fiscal quarter that has materially effected, or is reasonably likely to materially affect internal control over financial reporting.

Management has determined that there have been no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting.

FORWARD LOOKING INFORMATION

This MD&A contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors summarized below under the heading "Risk Factors" and discussed in filings made by us with the Canadian securities regulatory authorities.

FORWARD LOOKING INFORMATION – (continued)

Should one or more of these risks and uncertainties, such as actual results of current exploration programs, the general risks associated with the mining industry, the price of gold and other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.

OVERVIEW

The Company operates a single business segment which is engaged in base and precious metal mining and related activities, including exploration and development, in Manitoba and Ontario. The management of the Company has not changed since the fiscal year end and is comprised of the following individuals:

<u>Name</u>	<u>Position(s) Held</u>
Ken Lapierre, P. Geo	Director, CEO, President
Peter Wood, P. Geo.	Director, VP Exploration
William R. Johnstone, LL.B. ⁽¹⁾	Director, Corporate Secretary
Robin Lowe ⁽¹⁾	Director
Denis Arsenault, C.A. ⁽¹⁾	Director
Mike Kindy, C.A.	CFO

⁽¹⁾ Member of the Company's Audit Committee

OVERALL PERFORMANCE

The first quarter of fiscal 2009 was a period in which the Company placed a significant emphasis on the evaluation of the new and historical data derived from the exploration of its properties. This was considered an ideal time to conduct this evaluation because of the volume of new data that the Company's activities had generated and because weather conditions made this a less than optimal time to carry out significant drill programs on many of its properties. These analyses enabled the completion of technical reports on each of the properties and the determination of primary targets and areas of interest for future exploration. The Company remains optimistic that it is making progress towards achieving its stated objective of being a mine-finder.

In the period ended November 30, 2008 the Company incurred charges of \$21,984 relative to acquiring and maintaining its property interests. These charges included the second of five payments of cash and common shares, which are due each September in accordance with the Jackfish option agreement. As at November 30, 2008, and as at the date of this document, each of the Company's option agreements, and the rights to each of the properties that the Company has staked, remains in good standing.

During this period the Company also incurred total exploration costs of \$597,615, net of \$34,315 in government grants. This amount is very similar to the total of \$590,393 incurred during the three month period ended November 30, 2007, the period when the Company carried out its initial drill program on the Rail Zone property. While the emphasis in the current period was on analysis, the exploration costs also included the aggregate of \$243,845 in drilling charges and fees related to the third phase of the airborne survey of its Snow Lake properties. The summer drill program was concluded in September and resulted in the announcement that the Company had discovered a VMS Zone rich in copper, zinc, gold and silver. This discovery is in proximity of, and has similar geology to, the historical Rail Lake VMS deposit. The results of both the airborne survey and the summer drill program will be further analyzed before additional exploration activities are conducted in this area.

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OVERALL PERFORMANCE – (continued)

In January 2009 the Company announced that it was commencing its winter drill program which includes the plan to complete 3,000 metres of diamond drilling on the Jackfish property. This drill program was devised as a result of the analysis completed during and after the most recent fiscal quarter. While this drill program is underway analysis of the results of the third phase of the airborne survey, which was completed in December, and other data will continue in order to prioritize future drill targets.

The Company is currently in the process of exploring its mineral properties and does not yet have any sources of operating revenue. It is certain that the Company will require additional financing to enable it to further expand its land holdings and to explore and develop its properties.

SELECTED FINANCIAL DATA

	For the fiscal years ended:			
	<u>Aug. 08</u>	<u>Aug. 07</u>	<u>Aug. 06</u>	
Revenues	27,756	42,907	3,237	
Net income (loss) from operations	(560,029)	(817,877)	(49,110)	
Per share	(0.02)	(0.06)	(0.01)	
Net income (loss) for the period	322,637	(817,877)	(49,110)	
Per share	0.01	(0.06)	(0.01)	
Mineral resource properties	7,093,292	1,374,661	258,685	
Total assets	10,383,078	2,926,908	674,591	
Total liabilities	2,117,672	574,625	14,201	
	For the three month periods ended:			
	<u>Nov. 08</u>	<u>Aug. 08</u>	<u>May 08</u>	<u>Feb. 08</u>
Revenues	12,524	19,900	8,347	5,144
Net income (loss) from operations	(58,749)	(56,484)	(114,469)	(231,479)
Per share	(0.00)	(0.00)	(0.00)	(0.01)
Net income (loss) for the period	(9,857)	826,182	(114,469)	(231,479)
Per share	(0.00)	0.03	(0.00)	(0.01)
Mineral resource properties	7,712,891	7,093,292	6,164,229	4,748,259
Total assets	10,122,662	10,383,078	10,368,376	7,857,926
Total liabilities	1,861,113	2,117,672	3,009,915	3,023,431
	<u>Nov. 07</u>	<u>Aug. 07</u>	<u>May. 07</u>	<u>Feb. 07</u>
Revenues	(5,635)	18,681	12,345	10,833
Net income (loss) from operations	(157,597)	(163,357)	(420,531)	(111,410)
Per share	(0.01)	(0.01)	(0.03)	(0.01)
Net income (loss) for the period	(157,597)	(163,357)	(420,531)	(111,410)
Per share	(0.01)	(0.01)	(0.03)	(0.01)
Mineral resource properties	2,094,454	1,374,661	1,086,174	657,653
Total assets	3,746,565	2,926,908	2,778,794	2,747,654
Total liabilities	1,147,655	574,625	499,770	214,411

The Company reported no long-term financial liabilities or dividends during the periods noted above.

RESULTS OF OPERATIONS

During the recently concluded fiscal quarter the Company incurred a net loss in the amount of \$9,857, after recognizing a recovery of future income taxes of \$48,892. This loss is significantly lower than the loss of \$157,597 that was realized during the first quarter of the 2008 fiscal year, a period in which no future tax recovery arose. While the Company remains focused on the exploration and development of its resource properties, and has no significant source of revenue, losses are certain to arise. Furthermore, these losses will fluctuate from period to period according to the level of administrative activities that the Company undertakes.

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RESULTS OF OPERATIONS – (continued)

Future income taxes arise as a result of the income tax treatment applicable to the Company's exploration expenditures. Prior to the 2008 fiscal year virtually all of the Company's exploration expenditures were renounced, or transferred to its investors, in accordance with the terms of the financing transactions that the Company completed. During the year ended August 31, 2008 the Company incurred exploration expenditures that were not subject to being renounced. It is the income tax effects of these non-renounced 2008 expenditures, and the legislated changes in income tax rates, that give rise to the future tax recovery in the current period. Additional future income tax recoveries will occur, unless the income tax legislation changes, as income tax rates are scheduled to decline each period until 2012.

The Company's revenues are currently limited to interest earned on short-term cash-based investments. It is the Company's practice to acquire these investments when cash on hand exceeds the amount required to fund current activities. During the period ended November 30, 2008 the Company realized \$12,524 in interest income while one year earlier the Company reported negative income as the actual amounts earned were less than what had been previously estimated and accrued. Interest income will fluctuate from period to period based upon the value of the amounts invested, the prevailing interest rates for these investments, and the term for which they are held.

The level of administrative activities that the Company undertakes in a given period is most clearly reflected in the amount of consulting fee expense realized during that period. During the fiscal quarter ended November 30, 2008 the Company's CEO, who is a licensed geologist, devoted all of his time to property exploration and the analysis of exploration data. As a consequence, the fees he charged for his services were recognized as exploration expenditures. Total consulting fees for the period were \$10,458 representing fees for services provided by the Company's CFO and for bookkeeping services. In contrast, during the three months ended November 30, 2007, the CEO devoted virtually all of his efforts to business development, administration, and promotional activities and the corresponding fees were recognized as consulting fees. His fees, along with the fees for the CFO's services and for bookkeeping services resulted in the total for this period being \$43,530. The CEO will focus his future efforts in whichever of these areas the Company's need is greatest and as a result it is likely that consulting fee expense will continue to fluctuate from period to period.

Professional fees, which are often another indicator of the level of administrative activity, are also lower in the current period than they were in the first fiscal quarter of 2007. The current period expense of \$10,458 includes \$4,975 in fees accrued relative to the audit of the annual financial statements and \$5,483 in legal fees. During the period ended November 30, 2007 the Company reported audit fees of \$5,360 and legal fees of \$24,808 for a total of \$29,768. The legal fees incurred in the current period relate to general business matters as there were no significant transactions for which legal services were required. In the November 2007 period counsel was involved in work related to the financing that closed in December 2007, numerous share issuance transactions, matters pertaining to the options on mineral resource properties, and general business matters. Legal fees will continue to fluctuate from period to period depending upon the timing, nature and extent of services that are required.

Although a significant part of filing and regulatory fees are not directly influenced by the Company's day to day activities they too declined, having dropped from \$7,854 to \$3,841. These expense totals are comprised of fees charged by the Company's transfer agent and charges for the issuance of news releases. Transfer agent fees are reflective, in part, of the number of share issuance transactions. During the current fiscal period the Company issued 20,000 shares in a single transaction. During the three months ended November 30, 2007, the Company issued 1,252,230 shares from treasury, due primarily to numerous warrants having been exercised. This decline in share activity, in combination with a reduction from eight press releases to two, explains why these costs have declined to the extent they have. It is not feasible for the Company to project the number of future share transactions.

RESULTS OF OPERATIONS – (continued)

Other examples of expense reductions that can be attributed to the decline in administrative activities are travel and accommodation, general and administrative, and advertising and promotion. In aggregate, these expenses declined from \$40,177 to \$18,496 with the declines in the individual categories being 60% for travel and accommodation, 38% for general and administrative expenses, and 73% for advertising and promotion. While a few of the charges included in these categories are fixed in nature the vast majority are either variable or discretionary and declines like those experienced would generally be expected to occur just as they will be expected to rise again in future periods when administrative activity is greater.

The cost of insurance, which rose from \$6,781 to \$8,567, and amortization costs, which increased to \$13,045 from \$11,974, are the only expenses that are higher in the current period than they were for the period ended November 30, 2007. Both of these increases can be attributed to the additions that have been made to property, plant and equipment since August 31, 2007. The cost of these assets has risen by \$86,058, or more than 41%, during this period. Even more specifically, the increase in insurance costs can be attributed to the cost to insure new exploration equipment, which accounts for \$53,967 of the total additions made during this period. The Company has no immediate plans to acquire new equipment and accordingly these costs are expected to level off over the near term.

The net loss reported at November 30, 2007 also included \$4,826 in stock compensation expense and \$277 in interest accretion charges, neither of which recurred in the first quarter of 2008. Stock compensation expense arises in any period that the Company issues stock options to consultants or employees and no options were issued in the current period. Stock options are issued, within certain limitations, at the discretion of the Company's Board of Directors and issuances should be expected to occur from time to time. The interest accretion arose as a result of an interest-free loan that the Company received from a related party. This loan was repaid and is not expected to recur.

There was a third amount that arose in November 2007 and did not recur in the current period. That was a write-down of \$2,500 in the carrying value of mineral resource properties. This write-down represented the cost to acquire the Company's initial resource property. The Company conducted no exploration activities on this property and as a result the right to the land claims lapsed. The Company regularly reviews the viability of each of its resource properties, and will record write-downs in the carrying value thereof if their viability becomes impaired. Each of the Company's current properties are in good standing, are considered viable, and are expected to remain that way for the foreseeable future.

While management is always attempting to control costs and limit the periodic losses incurred it should be noted that the level of administrative activity that occurred in the recently concluded fiscal quarter was lower than the average that should typically be expected. Since the reduction in many expenses was attributable to this reduced activity level it should be expected that those same costs will rise again when these activity levels increase.

PROPERTIES

To November 30, 2008 the Company has acquired, and made expenditures on, mineral properties as follows:

	Horwood <u>Property</u>	Shihan VMS <u>Property</u>	Manitoba <u>Properties</u>	<u>Total</u>
Acquisition costs	\$ 2,500	\$ 211,900	\$ 453,332	\$ 667,732
Exploration costs	-	1,099,967	6,023,495	7,123,462
Government grant	-	-	(75,803)	(75,803)
Property abandoned	<u>(2,500)</u>	<u>-</u>	<u>-</u>	<u>(2,500)</u>
Total costs to date	<u>\$ -</u>	<u>\$ 1,311,867</u>	<u>\$ 6,401,024</u>	<u>\$ 7,712,891</u>

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PROPERTIES – (continued)

The Manitoba properties can be further subdivided as follows:

	HudBay <u>Properties</u>	Jackfish <u>Property</u>	Tower <u>Property</u>	Other <u>Properties</u>	Manitoba <u>Properties</u>
Acquisition costs	\$ 93,350	\$ 54,300	\$ 207,382	\$ 98,300	\$ 453,332
Exploration costs	4,401,538	196,318	-	1,425,639	6,023,495
Government grants	<u>-</u>	<u>(8,098)</u>	<u>-</u>	<u>(67,705)</u>	<u>(75,803)</u>
Total costs to date	<u>\$ 4,494,888</u>	<u>\$ 242,520</u>	<u>\$ 207,382</u>	<u>\$ 1,456,234</u>	<u>\$ 6,401,024</u>

These amounts, and any future costs, will be deferred and reported as an asset of the Company until such time that the properties are brought to commercial production, sold, disproved or abandoned at which time an appropriate amount will be charged against income.

The HudBay Properties are comprised of seven individual properties and each of these properties is governed by its own option agreement. Each agreement stipulates that there are four annual option payments that must be made in order for the Company to secure its interest in the property. These option payments are due on the annual anniversaries of the signing of the option agreements. The acquisition costs noted above include the initial option payments of \$10,000 per property, or \$70,000 in total, plus the cost of staking claims within the areas of influence of these optioned properties.

Included in Other Properties are six mineral exploration licenses (MEL) that the Company holds in the Snow Lake District in Manitoba. Each MEL grants the Company the exclusive right to explore and/or stake the property under license. Provided that minimum annual exploration expenditure requirements are met, each MEL lasts for the lesser of three years or until the holder stakes land within the license boundary. Exploration costs incurred on these properties to November 30, 2008 aggregate \$775,229 and all expenditure requirements to date have been satisfied. Should the Company choose to retain each of these MEL for the full term then an aggregate of \$1,300,000 will need to have been expended. Unless staking occurs at an earlier time the MEL will expire between January 2011 and October 2011.

As at November 30, 2008, and as at the date of this document, each of the Company's resource property options, claims and licenses are each in good standing and all future obligations related to these options are expected to be satisfied.

The Company is currently evaluating its opportunities relative to the Shihan VMS property and is investigating and/or conducting work programs on each of the Manitoba properties.

LIQUIDITY

The Company did not complete any financing transactions during the fiscal quarter ended November 30, 2008. The only common shares issued during this period were those required in accordance with the option agreement on the Jackfish property. Future financings are currently being contemplated as the Company is aware of the need to raise additional funds to satisfy its exploration, operating and flow through commitments.

Since the Company currently has no source of revenues or other means of generating cash from operations it will almost certainly remain reliant on its ability to raise financing, either through private or public sources, in order to satisfy its obligations as they become due. Although the Company has been successful to date in obtaining the financing that it has required there is no assurance that it will be successful in completing future financing transactions should they be required.

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CAPITAL RESOURCES

The Company has not entered into any commitments to acquire equipment however it does have exploration expenditure and option payment commitments, as described in the following section, which must be satisfied in order to maintain and secure its interests in the mineral resource properties that are subject to property option agreements. It is certain that the Company will require additional financing in order to meet these commitments.

OFF-BALANCE SHEET ARRANGEMENTS

In July 2006 the Company entered into an option agreement to acquire a 100% working interest, subject to a 2% Net Smelter Returns Royalty, in the Shihan VMS Property in northern Ontario. In accordance with the terms of the agreement, the Company is required to make the following payments on or before the following dates:

	Cash payment
July 14, 2009	<u>\$ 25,000</u>

Prior to the start of the fiscal quarter ended November 30, 2008 the Company had satisfied all of the exploration expenditure requirements and made all payments of cash and shares that have come due.

In March 2007 the Company entered into seven option agreements whereby it will acquire a 100% working interest, subject to a 2% Net Smelter Returns Royalty, in seven Snow Lake properties in Manitoba. In accordance with the terms of these option agreements, the Company is required to make the following aggregate payments on or before the following dates:

	Cash <u>Payments</u>	Exploration <u>Expenditures</u>
March 22, 2009	\$ 125,000	450,000
March 22, 2010	390,000	2,150,000
March 22, 2011	<u>1,475,000</u>	<u>4,100,000</u>
	<u>\$ 1,990,000</u>	<u>\$ 6,700,000</u>

As at November 30, 2008, and as at the date of this document, the Company has satisfied all terms of the agreements to date. In addition to the amounts noted above the Company has already satisfied \$2,100,000 in future exploration expenditure commitments related to these properties.

In September 2007 the Company entered into an option agreement to acquire a 100% working interest, subject to a 3% Net Smelter Returns Royalty, in the Jackfish Nickel Property in the Snow Lake District of Manitoba. In accordance with the terms of the agreement, the Company is required to make the following payments on or before the following dates

	Cash <u>Payments</u>	Exploration <u>Expenditures</u>	Common <u>Shares</u>
September 17, 2009	\$ 15,000	\$ -	20,000
September 17, 2010	17,500	100,000	20,000
September 17, 2011	<u>45,000</u>	<u>125,000</u>	<u>20,000</u>
	<u>\$ 77,500</u>	<u>\$ 225,000</u>	<u>60,000</u>

During September 2008 the Company made a cash payment of \$12,500, issued 20,000 common shares and had previously satisfied the September 2009 cumulative exploration expenditure requirement of \$125,000. Accordingly, the Company has satisfied all terms of the agreements to date.

OFF-BALANCE SHEET ARRANGEMENTS – (continued)

In February 2008 the Company entered into an option agreement to acquire a 70% working interest, subject to a 2% Net Smelter Returns Royalty, in the Tower VMS Property in the Thompson Nickel Belt in Manitoba. In accordance with the terms of the agreement, the Company is required to make the payments noted below. A dispute between the Manitoba government and a First Nations tribe has led to a cessation of the timeline for the following payments and expenditure commitments. This timeline will recommence when the dispute is resolved. According to the original schedule within the agreement, each of the cash payments were due on or before February 21 of the year stated while the expenditure targets were to be satisfied on or before March 21:

	Cash <u>Payments</u>	Exploration <u>Expenditures</u>
2009	\$ 30,000	\$ ⁽¹⁾
2010	30,000	2,000,000
2011	30,000	-
2012	<u>30,000</u>	<u>2,000,000</u>
	<u>\$ 120,000</u>	<u>\$ 4,000,000</u>

⁽¹⁾ The Company must have completed a minimum of 2,000 metres of diamond drilling, penetrating beyond the Precambrian-Paleozoic boundary.

The Company has also entered into a lease agreement relative to its office facility which is set to expire February 28, 2009. After expiry, the Company intends to continue to lease the facility by making quarterly lease payments at the same lease rate. The landlord has indicated that he is in agreement with this however no document to this effect has been drafted. The minimum annual payments due under this lease are as follows:

To expiration February 28, 2009	<u>\$ 3,450</u>
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In accordance with the terms of the financing transaction completed in April 2008 the Company is required to incur and pay for aggregate exploration expenditures on its mineral resource properties in the amount of \$4,215,399. As at November 30, 2008 the total expenditures incurred in accordance with this commitment were \$1,810,259 of which \$1,743,473 had been paid and \$66,786 were included in accounts payable.

With the exception of the agreements described above, the Company has not entered into any other commitments or purchase contracts as at the date of this document.

TRANSACTIONS WITH RELATED PARTIES

The following related parties had transactions with the Company during the period or have outstanding balances at the end of the period:

- Lapierre Exploration Services ("Lapierre") is a company that is owned and operated by a Director
- Geodigital Mapping Systems Inc. ("Geodigital") is a company owned and operated by a Director
- Gardiner Roberts LLP ("Gardiner") is a legal firm in which a Director of the Company is a partner.
- Robin Lowe ("Lowe") is a Director of the Company.
- Cryo-Line MDI Inc. ("MDI") is a company owned and operated by a Senior Officer

The following transactions have been recorded at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties. As at November 30, 2008 a total of \$27,291 (2007 - \$16,853) is included in accounts payable and accrued liabilities as a result of these transactions:

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TRANSACTIONS WITH RELATED PARTIES – (continued)

		Nov. 30 <u>2008</u>	Nov. 30 <u>2007</u>
Lapierre	Exploration expenditures	\$ 41,131	\$ -
Lapierre	Consulting fees and expenses	3,420	40,156
Geodigital	Exploration expenditures	50,862	55,442
Geodigital	Consulting fees and expenses	-	1,998
Gardiner	Professional fees	5,483	24,408
Lowe	Interest accretion	-	277
MDI	Consulting fees	10,000	7,086

Amounts are comprised of fees charged and expenses for which they were reimbursed.

CONVERTIBLE INSTRUMENTS AND OTHER SECURITIES

The Company has the following securities issued. The amounts shown represent the actual cash proceeds or other compensation received as a result of their issuance:

	<u>Quantity</u>	<u>Amount</u>
Common shares at August 31, 2007	17,316,296	\$ 2,799,891
Flow through shares issued through private placement offering	1,672,000	2,090,000
Less: estimated income tax value of expenditures renounced		(754,908)
Less: value attributed to associated warrants		(165,068)
Common shares issued through private placement offering	640,500	640,500
Less: expenses associated with offering		(30,650)
Less: value attributed to associated warrants		(190,248)
Flow through shares issued through private placement offering	7,025,665	4,215,399
Less: estimated income tax value of expenditures renounced		(1,486,089)
Common shares issued through private placement offering	933,334	560,000
Less: expenses associated with offering		(463,732)
Less: value attributed to associated warrants		(8,672)
Shares issued under property option	95,000	58,050
Shares issued for mining rights	50,000	40,000
Shares issued upon exercise of FT warrants	44,750	15,663
Shares issued upon exercise of WC warrants	1,128,768	338,630
Shares issued upon exercise of agent's units ⁽¹⁾	391,540	97,885
Less: value attributed to associated warrants		(38,911)
Shares issued upon exercise of underlying WC warrants	91,040	27,312
Plus: value attributed to warrants		<u>8,618</u>
Common shares at August 31, 2008	29,388,893	\$ 7,753,670
Shares issued under property options	<u>20,000</u>	<u>6,000</u>
Common shares at November 30, 2008 and as at the date of this document	<u>29,408,893</u>	<u>\$ 7,759,670</u>

⁽¹⁾ This also resulted in the issuance of 391,540 underlying WC warrants.

In addition to the shares noted above the Company has issued units, warrants, employee and consultant stock options, and made commitments to issue shares under certain options on mineral resource properties. The following represents the number of common shares that have been reserved to satisfy the potential future exercise and issuance of these securities:

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CONVERTIBLE INSTRUMENTS AND OTHER SECURITIES – (continued)

	Number Of <u>Common Shares</u>
FT warrants exercisable at \$0.35 per share until Dec. 8, 2008 ⁽¹⁾	1,876,000
WC warrants exercisable at \$0.30 per share until Dec. 8, 2008 ⁽¹⁾	2,291,753
Agent's units exercisable at \$0.25 per unit until Dec. 8, 2008 ⁽¹⁾	81,773
Underlying WC warrants exercisable at \$0.30 per share until Dec. 8, 2008 ^(1,2)	81,773
Underlying WC warrants exercisable at \$0.30 per share until Dec. 8, 2008 ⁽¹⁾	571,307
Property option payment due no later than Sept. 17, 2009	20,000
Warrants exercisable at \$1.50 per share until Dec. 31, 2009	1,376,500
Warrants exercisable at \$1.50 per share until Jan. 3, 2010	100,000
Warrants exercisable at \$1.50 per share until Feb. 20, 2010	1,250,000
Warrants exercisable at \$0.95 per share until Apr. 30, 2010	466,666
Warrants exercisable at \$0.95 per share until Apr. 30, 2010	477,540
Property option payment due no later than Sept. 17, 2010	20,000
Property option payment due no later than Sept. 17, 2011	20,000
Stock options exercisable at \$0.47 until Mar. 27, 2012 ⁽³⁾	1,250,000
Stock options exercisable at \$0.70 until July 6, 2012	150,000
Stock options exercisable at \$0.72 until Oct. 9, 2012	<u>10,000</u>
Total common shares reserved as at November 30, 2008	10,043,312
Warrants and units expired	<u>(4,902,606)</u>
Total common shares reserved as at the date of this document	<u>5,140,706</u>
Fully diluted number of common shares as at November 30, 2008	39,452,205
Warrants and units expired subsequent to November 30, 2008	<u>(4,902,606)</u>
Fully diluted number of common shares as at the date of this document	<u>34,549,599</u>

- ⁽¹⁾ These warrants and units were not exercised and expired subsequent to the balance sheet date.
⁽²⁾ These underlying WC warrants were only to be issued in the event that the agent's warrants were exercised.
⁽³⁾ Each of these options is held by a Director or Officer of the Company.

The following provides additional information relative to the stock options and share purchase warrants:

<u>Description</u>	<u>Common Shares Under Option</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Expiry Date</u>
Outstanding August 31, 2008	1,410,000 ⁽¹⁾	\$0.50	Apr. 8, 2012
Changes during period	-	-	-
Outstanding November 30, 2008 and as at the date of this document	<u>1,410,000</u>	\$0.50	Apr. 8, 2012

- ⁽¹⁾ Each of these options has vested and is currently available to be exercised at the holders' discretion.

<u>Description</u>	<u>Number of Warrants</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Expiry Date</u>
Outstanding August 31, 2008	8,491,539	\$0.77	June 14, 2009
Changes during period	-	-	-
Outstanding November 30, 2008	8,491,539	\$0.77	June 14, 2009
Expired subsequent to the end of the period	<u>(4,820,833)</u>	\$0.32	December 8, 2008
Outstanding as at the date of this document	<u>3,670,706</u>	\$1.36	February 17, 2010

ROCKCLIFF RESOURCES INC.

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For the Period Ended November 30, 2008
(Prepared as at January 28, 2009)

CHANGES IN ACCOUNTING POLICY

The accounting policies followed by the Company are established in accordance with Canadian GAAP and once policies are established they will not, as a matter of policy, be revised unless Canadian GAAP changes.

Effective September 1, 2008 the Company adopted the following new accounting standards:

Financial instruments – Disclosure and presentation:

CICA Handbook Sections 3862, "Financial Instruments – Disclosures" and 3863, "Financial Instruments – Presentation" replace Handbook Section 3861, "Financial Instruments - Disclosure and Presentation", revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The adoption of these sections had no significant impact on the Company's financial statements.

Capital disclosures:

CICA Handbook Section 1535, "Capital Disclosures", requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. The adoption of this section had no significant impact on the Company's consolidated financial statements.

Future accounting pronouncements:

The Company will adopt new accounting policies, or alter existing policies, in accordance with pronounced changes in Canadian GAAP. The following represent the pronounced changes that will affect future periods.

International reporting standards:

In February 2008, the Accounting Standards Board ("AcSB") confirmed that the transition to International Financial Reporting Standards from Canadian GAAP will occur on January 1, 2011 for public entities. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. Due to the short term maturities associated with these items their fair value approximates their carrying values and the Company is not exposed to any significant interest or credit risks.

RISK FACTORS

The Company is exposed to credit risk and liquidity risk. The Company's primary risk management objective is to protect assets, earnings and cash flow and, ultimately, shareholder value. Risk management strategies, as discussed below, are designed and implemented to ensure that the Company's risks and the related exposure are consistent with its business objectives and risk tolerance. There have been no changes to the risks to which the Company is exposed or to the corresponding risk management strategies during the current period.

Credit risk:

The Company's accounts receivable include amounts that are recoverable on account of goods and services taxes. These amounts are subject to verification through audits that may be conducted by Canada Revenue Agency. The accounts receivable do not contain any past due amounts and the Company has no history of bad debts.

ROCKCLIFF RESOURCES INC.

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RISK FACTORS – (continued)

Liquidity risk:

The Company currently has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it to enable it to meet its obligations as they become due. Although the Company has been successful in the past in financing its activities, there can be no assurance that it will be able to do so in the future.

In addition to the financial risks noted above there are many additional risks that could affect the Company's business prospects. They include, but are not limited to, general economic risk, exploration risk, financing risk, fluctuating prices, competition in the marketplace, environmental regulations, government regulations, and title matters.

General economic risk:

Recent events have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, events seemingly unrelated to us, or to our industry, may adversely affect us, over time, in ways that are hard to predict or defend against. Reduction in credit, combined with reduced economic activity and the fluctuations in domestic and international currency rates, may adversely affect businesses and industries that purchase commodities, thereby affecting mineral prices in more significant and unpredictable ways than the normal risks associated with mineral prices. Also, these same economic conditions may adversely affect the businesses and industries that we engage in connection with our exploration activities. As a result, the availability of these services may be reduced, the cost of obtaining them may rise, and the terms on which they are provided may be altered. Furthermore, the adverse effects on the capital markets may generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on our business, operating results, and financial condition.

Exploration risk:

Mineral exploration and development involve a high degree of risk that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The properties, in which the Company has an interest or the right to acquire an interest, are in the early exploration stage and are without either resources or reserves. The Company's exploration programs are an exploratory search for mineral deposits and development will only follow upon obtaining satisfactory results. A very low percentage of exploration projects ultimately evolve into producing mines. There is no assurance that the Company's future exploration and development activities will result in the discovery of any commercially viable mineral deposits or that the Company will possess sufficient resources to develop these deposits if they are discovered. The commercial viability of a mineral deposit depends on a number of factors which include, but are not limited to, location, size, grade, and geometry of the deposit, availability of experienced labourers, proximity to existing infrastructure, mineral prices and government regulations, including environmental restrictions. Most of these factors are beyond the control of the Company.

Financing risk:

The exploration and development of the Company's properties, and the growth of the Company, will require substantial additional financing. The Company's properties are each in an early stage of exploration and as a result are without resources or reserves and the Company has no source of operating cash flow. Failure to obtain sufficient financing could result in a delay or indefinite postponement of further exploration on any or all of the Company's properties, the loss of a property interest, or the Company's ability to continue as a going concern. Although the Company has been successful in the past in financing its activities through the sale of equity securities, it has no assurance that additional funding will be available to it when needed or that the terms of such financing will be favourable. The Company will require new capital to continue to operate its business and to continue exploration on its various properties, and there is no assurance that capital will be available when needed, if at all.

RISK FACTORS (Continued)

Fluctuating prices:

The price of gold and other metals fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, global and regional consumption patterns, the world supply of and demand for mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The effect of these factors cannot be accurately predicted. Future price declines could impact on the viability of the Company's exploration projects.

Competition in the marketplace:

The mining industry is intensely competitive in all phases of exploration, development and production and the Company competes with many entities possessing greater financial and technical resources. Competition in the mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine base metals, but conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. There is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of commercial markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or issuing its investment capital. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Environmental regulations:

All phases of the Company's operations are subject to environmental regulations in the various jurisdictions in which it operates. Globally, environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations.

Government regulations:

The current and future operations of the Company, from exploration through development activities and commercial production, if any, are and will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities may experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Permits are subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining all required permits. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a material adverse effect on the Company's business, financial condition and results of operations. Further, there can be no assurance that all permits which the Company may require for future exploration, construction of mining facilities and conduct of mining operations, if any, will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project which the Company may undertake.

RISK FACTORS (Continued)

Title matters:

The mining claims in which the Company has an interest have not been surveyed and, accordingly, the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land comprising the claims may be in doubt. Such claims have not been converted to lease and tenure, and as a result, are subject to annual compliance with assessment work requirements. Other parties may dispute the Company's title to its mining properties. While the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or land claims and title may be affected by undetected defects.

ADDITIONAL INFORMATION

Additional information about the Company can be found at www.sedar.com. Additional information is also provided in the Company's financial statements and Annual Information Form for the most recently completed financial years.

Further additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's information circular for the Company's most recent annual meeting of security holders that involved the election of directors.